



Legislation Text

File #: 24-0246, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

George Gabriel, Assistant to the City Manager

SUBJECT:

Consideration of a Resolution Approving the Proposed Fiscal Year 2024-2025 Chamber of Commerce Work Plan Agreement in the Amount of \$29,585 (City Manager Moe).

(Estimated Time: 15 Mins.)

ADOPT RESOLUTION NO. 24-0081

RECOMMENDATION:

Staff recommends that the City Council consider adopting Resolution No. 24-0081 approving the proposed Fiscal Year (FY) 2024-2025 Chamber of Commerce Work Plan agreement in the amount of \$29,585 and authorizing the City Manager to negotiate terms and execute the agreement.

FISCAL IMPLICATIONS:

In the Fiscal Year (FY) 2024-2025 budget, funds totaling \$60,000 were appropriated for Economic Development partnerships and sponsorship of Chamber of Commerce (Chamber) events.

The agreement allows the Chamber of Commerce to invoice the City of Manhattan Beach for two disbursements of fees for expenses related to the provision of business attraction and retention services in an amount not to exceed \$29,585. Sufficient funds exist within the Management Services Department FY 2024-2025 budget to accommodate the Chamber of Commerce's proposed work plan contract.

BACKGROUND:

Through its events, mixers and seminars the Manhattan Beach Chamber of Commerce activates the business community and provides a forum for local businesses to network and organize. Its signature events include the Best of Manhattan and the State of the City. Currently, the Chamber has approximately 400 members.

In years past, the City has provided substantial funding to the Chamber of Commerce to support their efforts promoting commerce in Manhattan Beach. In FY 2013-14 and FY 2014-15 budgets, the Chamber received \$100,000 for various economic development efforts including promoting Manhattan Beach as a destination, hosting an Economic Forum and working on business retention strategies. In FY 2015-2016, the Chamber received no direct funding for a work plan and only received sponsorship dollars from the City. In FY 2016-17, the City paid the Chamber \$11,000 to

sponsor three events (Best of Manhattan, State of the City, and Economic Summit). In FY 2017-18, the City Council approved a work plan contract with the Chamber of Commerce for an amount not-to-exceed \$57,250. Consistent with the conditions set forth in the agreement, the Chamber completed tasks in the agreement.

Following organizational changes at the Chamber of Commerce, the City Council approved another work plan contract for Fiscal Year 2018-2019 in the amount of \$49,500.

The following year, the Chamber and City staff had made preparations to present a Fiscal Year 2019-20 work plan contract, but consideration of the agreement was postponed due to the coronavirus pandemic response.

The City Council approved a work plan contract in the amount of \$35,585 for FY 2022-2023. However, due to competing initiatives and staffing challenges, Chamber expended only \$35,585 of the contract award (the City pays the Chamber solely based upon work completed).

Most recently, Council approved a work plan contract in the amount of \$36,585 for FY 2023-2024. However, the Chamber expended \$34,585 of the contract award.

Additionally, the City annually supports the Chamber by charging \$1/year rent for their office space in the city-owned Post Office building. This lease is currently under a month-to-month agreement structure; a long-term agreement may be considered by the City Council in the future.

DISCUSSION:

Consistent with prior agreements, the Chamber of Commerce Work Plan contract (Attachment) lists several programs and services proposed by the Chamber that are intended to improve the local economy. These can be broadly divided into services that: 1) improve the hospitality climate in Manhattan Beach through production of better marketing materials and more strategic outreach; 2) provide programs to improve local business engagement and education; and 3) continue sponsorship of events hosted by the Chamber. Categories, tasks and requested funds included in the Work Plan contract are summarized below.

I. Local Marketing

- Location Analytics and Marketing Analysis Reports: (\$7,500)
 - The Chamber proposes to provide Location Analytics and Marketing Reports from an artificial intelligence software platform. The reports would provide useful analytics to the City drawing upon data from users' mobile devices already collected through the users' authorized existing applications. Following a demo of the software program, the City determined the software could be useful for economic impact on surrounding businesses, travel and traffic analysis, and special event analysis including number of attendees, attendee home region, duration, common places visited prior to and following the event, and travel routes to and from the event.

Local Marketing Subtotal - \$7,500

II. Business Education and Engagement

- Business Safety/Education/Homelessness Seminars (\$2,000)

- The Chamber is proposing to host two seminars to the business community to educate businesses on safety and compliance matters in the workplace. Examples include but are not limited to homelessness, sexual harassment, fire safety, ADA compliance, cyber security laws, and emerging legislation.
- Young Entrepreneurs Academy (YEA!) - Investor Panel (\$2,500)
 - The YEA! program provides an 8-month curriculum that teaches students, grades 6-12, how to conceptualize, research, brand, and market a new business idea. Business plan writing, investor pitches and mentorship from business leaders in the Manhattan Beach community provide a circular business environment for young entrepreneurs to strive and thrive. Funds for the program allow the Chamber to organize the program and provide materials to students.

Business Education and Engagement Subtotal - \$4,500

III. City Sponsored Legacy Events

- Mayor's Lunch (\$5,000)
 - In its second year, the event returns and is expected to take place on August 7, 2024 as a Mid-Year review of the "State of the City" event that provides a forum for the Mayor, Chamber President/CEO, City Officials, and City Department Directors to review highlights of the past six months and to outline significant goals, projects and plans for the remainder of the year. The City plans to serve as a sponsor of the event contingent on Council approval.
- Signature Fall Event - i.e. Best of Manhattan, Bite at the Beach (\$5,000)
 - Historically, the Chamber hosts a fall event recognizing the Key Leaders in the Business Community and present awards to outstanding Businesses and Individuals in numerous categories. Additionally, the Chamber has hosted the Bite at the Beach and may Produce this event again or another similar event of equal Sponsorship Value. Funds dedicated to the event are allocated toward the City's sponsorship amount.
- State of the City (\$5,000)
 - The Chamber hosts this event annually where the Mayor, Chamber President/CEO, City Officials, Community Officials or City Department Directors recap highlights of the previous year and outline significant goals, projects and plans for the coming year. Funds dedicated to the event are allocated toward the City's sponsorship amount.

City Sponsored Legacy Events Subtotal - \$15,000

III. Membership

- Annual Membership Due
 - The annual dues are separate from event and program sponsorships and are based on the number of employees at each business. The City has traditionally paid a membership fee amounting to \$2,585.

CONCLUSION:

Staff recommends that the City Council consider adopting Resolution No. 24-0081 approving the proposed fiscal year 2024-2025 Chamber of Commerce Work Plan agreement in the amount of \$29,585 and authorizing the City Manager to negotiate terms and execute the agreement.

LEGAL REVIEW:

The City Attorney has approved the agreement as to form.

ATTACHMENTS:

1. Resolution No. 24-0081
2. Agreement - Chamber of Commerce
3. Fiscal Year 2023-2024 Work Plan Report Provided by Chamber